

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA :

- v. - :

JIAN JIANG FENG,  
a/k/a "Jianfeng Jiang,"  
ZHURONG GAO,  
WO KIT CHENG, and  
KENNY LIU,

Defendants. :

SEALLED SUPERSEDING  
INDICTMENT

S2 19 Cr. 039 (JMF)

- - - - - X

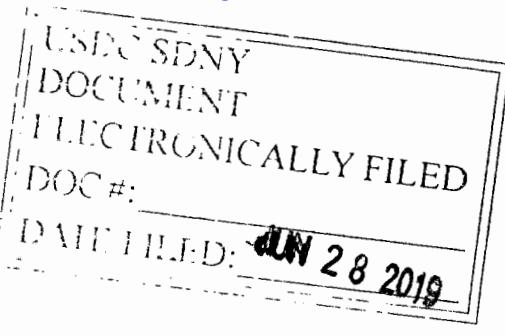
COUNT ONE

(Conspiracy to Traffic in Contraband Cigarettes)

The Grand Jury Charges:

1. From at least in or about June 2013 up to and including at least in or about January 2019, in the Southern District of New York and elsewhere, JIAN JIANG FENG, a/k/a "Jianfeng Jiang," ZHURONG GAO, WO KIT CHENG, and KENNY LIU, the defendants, and others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to commit an offense against the United States, to wit, to violate Title 18, United States Code, Sections 545 and 2342.

2. It was a part and an object of the conspiracy that JIAN JIANG FENG, a/k/a "Jianfeng Jiang," ZHURONG GAO, WO



KIT CHENG, and KENNY LIU, the defendants, and others known and unknown, did knowingly ship, transport, receive, possess, sell, distribute, and purchase contraband cigarettes, as that term is defined in Title 18, United States Code, Section 2341, to wit, a quantity of more than 10,000 cigarettes, which bore no evidence of the payment of applicable State cigarette taxes in the State of New York.

3. It was further a part and an object of the conspiracy that JIAN JIANG FENG, a/k/a "Jianfeng Jiang," ZHURONG GAO, WO KIT CHENG, and KENNY LIU, the defendants, and others known and unknown, did smuggle and clandestinely introduce into the United States merchandise which should have been invoiced, to wit, more than approximately 375,000 cartons of contraband cigarettes, valued at approximately \$30,000,000, to avoid at least approximately \$30,000,000 in taxes.

Overt Acts

4. In furtherance of the conspiracy and to effect the illegal object thereof, the following overt act, among others, was committed in the Southern District of New York and elsewhere:

a. On or about May 25, 2018, a co-conspirator not named herein ("CC-1"), sold a carton of contraband cigarettes from a store located in or around Hester Street in New York, NY.

(Title 18, United States Code, Section 371.)

COUNT TWO  
(Trafficking in Contraband Cigarettes)

The Grand Jury further charges:

5. From at least in or about June 2013 up to and including at least in or about January 2019, in the Southern District of New York and elsewhere, JIAN JIANG FENG, a/k/a "Jianfeng Jiang," ZHURONG GAO, WO KIT CHENG, and KENNY LIU, and KENNY LIU, the defendants, did knowingly ship, transport, receive, possess, sell, distribute, and purchase contraband cigarettes, as that term is defined in Title 18, United States Code, Section 2341, to wit, a quantity of more than 10,000 cigarettes, which bore no evidence of the payment of applicable State cigarette taxes in the State of New York.

(Title 18, United States Code, Sections 2342 and 2.)

COUNT THREE  
(Conspiracy to Receive a Bribe)

The Grand Jury further charges:

6. From at least in or about June 2013 up to and including at least in or about January 2019, in the Southern District of New York and elsewhere, KENNY LIU, the defendant, and others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to commit an offense against the United States, to wit, to violate Title 18, United States Code, Section 201(b) (2) (C) .

7. It was a part and an object of the conspiracy that

KENNLY LIU, the defendant, being a public official, and others known and unknown, directly and indirectly did corruptly demand, seek, receive, accept, and agree to receive and accept something of value personally, in return for being induced to do an act and omit to do an act in violation of his official duty, in violation of Title 18, United States Code, Section 201(b)(2)(C).

Overt Act

8. In furtherance of the conspiracy and to effect the illegal object thereof, the following overt act, among others, was committed in the Southern District of New York and elsewhere:

a. On or about January 16, 2019, KENNY LIU, the defendant, a United States Postal Service employee, received cash from a co-conspirator not named herein ("CC-2") in exchange for delivering a package of contraband cigarettes to an address not listed on the mailing label of such package.

(Title 18, United States Code, Section 371.)

COUNT FOUR  
(Receiving a Bribe)

The Grand Jury further charges:

9. From at least in or about June 2013 up to and including at least in or about January 2019, in the Southern District of New York and elsewhere, KENNY LIU, the defendant, directly and indirectly did corruptly demand, seek, receive,

accept, and agree to receive and accept something of value personally, in return for being induced to do an act and omit to do an act in violation of his official duty, to wit, LIU, a United States Postal Service employee, received cash from CC-2 in exchange for delivering a package of contraband cigarettes to an address not listed on the mailing label of such package

FORFEITURE ALLEGATIONS

10. As a result of committing the offense alleged in Count One of this Indictment, JIAN JIANG FENG, a/k/a "Jianfeng Jiang," ZHURONG GAO, WO KIT CHENG, and KENNY LIU, the defendants, shall forfeit to the United States, pursuant to Title 18, United States Code, Sections 981(a)(1)(C), and 2344(c), Title 28, United States Code, Section 2461(c), and Title 49, United States Code, Section 80303, any and all property, real and personal, which constitutes or is derived from proceeds traceable to said offense; any and all contraband cigarettes or contraband smokeless tobacco involving in said offense; and any and all aircraft, vehicles and vessels used to transport, conceal, possess, or facilitate the transportation, concealment, receipt, possession, purchase, sale, exchange or giving away, of contraband cigarettes involved in said offense; and, pursuant to Title 18, United States Code, Section 982(a)(2)(B), any and all property constituting or derived from proceeds obtained directly or indirectly as a result of said offense, including but not

limited to a sum of money in United States currency representing the amount of proceeds traceable to the commission of said offense that the defendants personally obtained.

11. As a result of committing the offense alleged in Count Two of this Indictment, JIAN JIANG FENG, a/k/a "Jianfeng Jiang," ZHURONG GAO, WO KIT CHENG, and KENNY LIU, the defendants, shall forfeit to the United States, pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 2344(c), Title 28 United States Code, Section 2461(c), and Title 49, United States Code, Section 80303, any and all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of said offense; any and all contraband cigarettes or contraband smokeless tobacco involving in said offense; and any and all aircraft, vehicles and vessels used to transport, conceal, possess, or facilitate the transportation, concealment, receipt, possession, purchase, sale, exchange or giving away, of contraband cigarettes involved in said offense, including but not limited to a sum of money in United States currency representing the amount of proceeds traceable to the commission of said offense that the defendants personally obtained.

12. As a result of committing the offense alleged in Counts Three and Four of this Indictment, KENNY LIU, the defendant, shall forfeit to the United States, pursuant to Title 18, United States Code, Sections 981(a)(1)(C), and Title 28

United States Code, Section 2461(c), any and all property constituting, or derived from, proceeds the defendant obtained directly or indirectly, as a result of the commission of said offense, including but not limited to a sum of money in United States currency representing the amount of proceeds traceable to the commission of said offense that the defendants personally obtained.

Substitute Assets Provision

13. If any of the above-described forfeitable property, as a result of any act or omission of JIAN JIANG FENG, a/k/a "Jianfeng Jiang," ZHURONG GAO, WO KIT CHENG, and KENNY LIU, the defendants:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third person;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be subdivided without difficulty,

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), and Title 28, United States Code, Section 2461(c), to seek forfeiture of any other property of said defendants up to the value of the above forfeitable property described above.

(Title 18, United States. Code, Sections 981, 982 and 2344;  
Title 28, United States Code, Section 2461;  
Title 21, United States Code, Section 853; and  
Title 49, United States Code, Section 80303)

  
FOREPERSON  
6/28/19

Geoffrey S. Berman  
GEOFFREY S. BERMAN  
United States Attorney

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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA

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Defendants.

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SEALED INDICTMENT

19 Cr. 039 (JMF)

(18 U.S.C. §§ 371, 2342 and 2,  
201(b) (2) (C) and 2)

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GEOFFREY S. BERMAN  
United States Attorney.

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6/28/19 Filed superseding indictment under seal/  
Arrest warrant issued

USMJ Gorenstein

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